

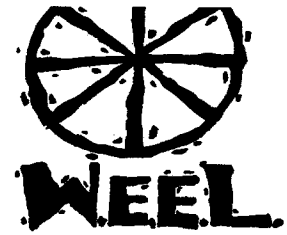
## Senate Bill 498 – Create a universal health care system

My name is Alex Kraft. I am a 28 year old woman. I have a Master's Degree in Fine Art from the University of MT. This is my fifth year living in MT. After graduating from school, I am no longer covered by the health insurance provided by the university. I currently have catastrophic insurance that I bought online, that I pay roughly \$100 a month for. It doesn't cover my preexisting condition. When I was 25 I found out that I had Multiple Sclerosis. I found out because I became very sick and spent two months in the hospital recovering from paralyzation of the right side of my body along with other symptoms. I am currently healthy, but I always know that there is the potential for relapse and I do not have health insurance that will cover my M.S. I am a ceramic studio artist and also hold day job to pay the bills. In the future I hope to be a college professor, but I am spending several years building my career. I recently was a resident as the Archie Bray Foundation and will be doing future residencies. These are viable for my career, but don't offer health insurance.

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To: House Appropriations  
From: WEEL – Olivia Riutta – [oriutta@weelempowers.org](mailto:oriutta@weelempowers.org), 406.495.0497.  
Date: April 3, 2007  
Re: Senate Bill 498 – Plan for universal health care system for all Montanans

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Mr. Chairman and members of the committee.

I am here today as a representative of WEEL. We are a state based non-profit organization that is made up of low-income Montana families.

SB 498 is a concrete step in addressing the health care crisis in Montana. Our uninsured rate for children under 18 is increasing, while it has remained steady nationally. We have 37,000 uninsured children in this state. 22% of our non-elderly population is also uninsured.

It is estimated that nationally ~60% of our health care dollars are supported by tax dollars. This research has been conducted by both the New England Journal of Medicine and Health Affairs. This is money that goes into programs like Medicaid, CHIP, Medicare, Indian Health Service, Veterans Health Benefits; and all of the money that is spent on health benefits for public employees, local, county, state, and federal. As teachers, police officers, plow-truck drivers, or legislators your health benefits, even if administered through New West or Blue Cross and Blue Shield, are paid for by Montana taxpayers.

Additionally, the public sector is estimated to finance up to 85% of uncompensated care, the exact amount is unknown because states and providers do not consistently report these public expenditures. (*A Shared Destiny: Community Effects of Uninsurance*, Institute of Medicine, March 6, 2003)

Administrative waste consumes 31% of our national health spending. (*Cost of Administration in the US and Canada*, New England Journal of Medicine, September 21, 2003). Since 1990, the US has seen over 2500% increase in health care administrators, but less than 100% increase in the number of physicians (Bureau of Labor and Statistics). Steve Seninger from the University of MT reports that our health care spending in MT is ~\$4.9 billion. Therefore we are spending \$1.519 billion dollars a year on administration just in MT.

SB 498 is smart because it will allow us to figure out how to best spend the billions of health care dollars in Montana, the majority which are paid for by tax payers, so that the population as a whole benefits, and all Montana have access to health care.

SB 498 is important for Montana businesses and our economic growth as a state. There are many factors that have gone into the fall of American auto makers, but one important point is health care. It is estimated that about \$1500 of the cost of every GM vehicle goes toward the cost of providing health insurance for their workers. 35% of Montanans are employed at a businesses with fewer than 10 employees (Steve Seninger, U of M). If GM can't handle the increasing costs of health care, neither can our mom and pop businesses here in MT.

Nationally, our rate of maternal mortality is almost three times that of Canada (Organization for Economic Cooperation and Development, 2003), yet we spend over twice as much on health care. Our life expectancy is also 2.5 years less than Canadians (OECD, 2004). We are spending a lot but have worse health outcomes.

SB 498 allows us to figure out the best way to spend our vital health care dollars so that all Montanans benefit. Our current health care crisis is unsustainable, wasteful, and we are not meeting attainable health outcomes. This bill promotes transparency, accountability, and efficiency. Please support SB 498.

Olivia Riutta